OMB Approval No. 9000-0002

SOLICITATION, OFFER AND AWARD

1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350) | RATING | PAGE 1 OF 87 PAGES

2. CONTRACT NO.	3. SOLICITATION NO.	4. TYPE OF SOLICITATION	5. DATE ISSUED	6. REQUISITION/PURCHASE NO.
	RFP 791-01-94	[ ] SEALED BID (IFB) [X] NEGOTIATED (RFP)	02-22-94	

7. ISSUED BY CODE	8. ADDRESS OFFER TO (If other than Item 7)
Department of Veterans Affairs Denver Distribution Center 730 Simms Street, Room 147 Lakewood, CO 80401	Department of Veterans Affairs Denver Distribution Center P O Box 25166 Denver, CO 80225-0166

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and 0 copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in Block 7 until 4:00 PM local time (Hour) March 25, 1994 (Date)

CAUTION — LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-10. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME	B. TELEPHONE NO. (Include area code) (NO COLLECT CALLS)
	Elaine Williams	(303) 231-5025

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OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within ______ calendar days *(60 calendar days unless a different period is inserted by the offeror)* from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT *(See Section I, Clause No. 52-232-8)*	10 CALENDAR DAYS	20 CALENDAR DAYS	30 CALENDAR DAYS	CALENDAR DAYS
	0 %	0 %	0 %	0 %

14. ACKNOWLEDGMENT OF AMENDMENTS *(The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated:*	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)
Starkey Labs. Inc PO Box 9457 Minneapolis, MN 55440			R. L. Handberg Division Manager

15B. TELEPHONE NO. (Include area code)	15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.	17. SIGNATURE	18. OFFER DATE
612-828-9108	[ ]	[signature]	3/23/94

AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION

22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION:
[ ] 10 U.S.C. 2304(c)( ) [ ] 41 U.S.C. 253(c)( )

23. SUBMIT INVOICES TO ADDRESS SHOWN IN *(4 copies unless otherwise specified)* ▶ ITEM

24. ADMINISTERED BY *(If other than Item 7)* CODE

25. PAYMENT WILL BE MADE BY CODE

Plf FOIA Resp 000331

26. NAME OF CONTRACTING OFFICER *(Type or print)*

27. UNITED STATES OF AMERICA

(Signature of Contracting Officer)

28. AWARD DATE

IMPORTANT — Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

SECTION A - SOLICITATION/CONTRACT FORM

DECENTRALIZED SCHEDULE CONTRACT FOR:

FSS GROUP: 65
COMMODITY: HEARING AIDS, CUSTOM IN-THE-EAR (ITE)
PERIOD: OCTOBER 1, 1994 OR DATE OF AWARD, WHICHEVER IS LATER THROUGH SEPTEMBER 30, 1996

552.214-74 Solicitation Copies (MAY 1989)

To reduce cost, only one copy of this solicitation is mailed to active offerors and to addresses on our offeror's mailing list. If additional copies are required by the solicitation, you may reproduce them yourself, provided they are complete in every respect, or you may obtain them from the address specified below:

VA DENVER DISTRIBUTION CENTER
ATTN: CONTRACTING OFFICER (905C)
PO BOX 25166
DENVER, CO 80225-0166

A-FSS-12 Time for Acceptance of Offers (OCT 1988)

Offerors are requested to allow a minimum of 240 calendar days within which offers may be accepted. IF NO TIME IS SPECIFIED IN THE SPACE PROVIDED THEREFORE ON PAGE 1, IT WILL BE CONSIDERED THAT 240 CALENDAR DAYS ARE INTENDED.

A-FSS-40 Information Collection Requirements (OCT 1988)

The information collection requirements contained in this solicitation/contract, that are not required by regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned OMB Control No. 3090-0163.

End of Section A - Solicitation/Contract Form

NOTE: Failure to sign clause, 52,203-8, Requirement for Certificate for Procurement Integrity (NOV 1990), located in Section K, Page 40, will result in the rejection of your offer.

(Amended, see attached)

SECTION B - SUPPLIES OR SERVICES AND PRICES/COST

B-FSS-98 Estimated Requirements (OCT 1988)

The figures in the "Estimated Requirements" column show (1) purchases in dollars or purchases in units as reported by the using agencies, or (2) estimates of the anticipated volume. NO GUARANTEE IS GIVEN THAT ANY QUANTITIES WILL BE PURCHASED. The absence of a figure indicates that neither reports of previous purchases nor estimates of requirements are available. (See Exhibit "A", Offerors Instruction Sheet and Section K, Discount Schedule and Marketing Data)

CLASS	COMMODITY	ESTIMATED SALES FOR A TWO-YEAR PERIOD
65	Hearing Aids: Custom In-The-Ear, including all sizes/styles of housing; certain circuits, e.g., Ultra Power, Compression, K-AMP, Adaptive Noise Reduction (ASP), High-frequency emphasis, Ultra High-Frequency; and various components, e.g., Tone, SSPL, Gain, Feedback Controls, Telephone	$24,470,000

End of Section B - Supplies or Services and Prices/Costs

SECTION C - DESCRIPTION/SPECS/WORK STATEMENTS

Description

1. HEARING AIDS, CUSTOM IN-THE-EAR (ITE).

A TOTAL OF FIVE hearing aids shall be submitted per contractor. TWO designed for two sets of audiological data requiring a broadband response; ONE designed for a set of audiological data requiring a high-frequency emphasis circuit; and TWO designed for specified matrices.

A TOTAL OF EIGHT contractors will be awarded contracts.

NOTE: Aids with special circuits, e.g., Ultra Power, Compression, K-AMP, Adaptive Noise Reduction (ASP), and Ultra High-frequency, will be requested for evaluation only from the eight contractors awarded contracts on the basis of the performance of the five instruments submitted for this solicitation.

1a. Physical Characteristics: Unit shall include a microphone, transmitter, and internal receiver housed within a custom earmold, and a carrying case. The In-the-Ear (ITE)/earmold unit shall fit comfortably and not protrude from the frontal plane of the concha. Adjustable controls such as tone, Saturated Sound Pressure Level (SSPL), etc. shall be available, easily accessible, and clearly marked. Batteries shall not be included. Minimum shade/color availability shall be dark and light. Serial numbers shall be imprinted or engraved clearly and directly on the exterior of the hearing aid cases (chassis). ~~All serial numbers shall begin with the year of manufacture.~~ Hearing aids shall be designed to use commercially available batteries. Volume controls (VC) shall be easily rotatable. It is preferred that serial numbers begin with the year of manufacture. (Amended, see attached)

Offeror to specify:

Model Offered	Battery Type	Color of ~~Transmitter~~ CASE (Amended, see attached)	Best Price Offered
See Starkey Price Exhibit "A"	13,312	See Order Form	$ See Each Starkey Price Exhibit "A"

1b. General Technical Requirements:

Low harmonic distortion* at all frequencies shall be less than 10 percent. (Note: Harmonic distortion will not be measured for aids with high-frequency emphasis circuitry.)

Equivalent input noise level* shall not exceed 29 dB.

Tone control shall reduce amplification in the low frequencies by at least 10 dB at 500 Hz and 5 dB at 1000 Hz. (Note: Requirement not applicable to high-frequency emphasis aids since no amplification is desirable at 500 and 1000 Hz.)

Power or output control shall reduce the saturation sound pressure level by no less than 10 dB.

Frequency response shall compensate for insertion loss as evidenced by the absence of an antiresonance peak in the 2800 Hz range (tolerance +/- 3 dB).

Frequency response slope between 1000 Hz and 4000 Hz shall not exceed -3 dB (i.e., not more negative) except for aids with more than 50 dB gain at the reduced VC setting for the frequency range of 500 - 2000 Hz and aids with high-frequency emphasis circuitry.

Aids with less than 50 dB insertion gain at the reduced volume control settings for the frequency range 500-2000 Hz shall have effective gain from 3000-5000 Hz; i.e., the gain in this range, represented by the midpoint gain values of bands 16, 17, 18, and 19, cannot be 6 dB (or more) less than the midpoint gain value of band 15 (2660 Hz).

Aids with linear circuitry shall have the frequency response shape preserved as a function of VC rotation.

~~Aids with linear circuitry shall have the frequency response shape preserved at input levels from 50-90 dB SPL~~

~~Aids shall have a high coherence function (≥ 0.9) at 80 and 85 dB SPL input levels.~~
Aids shall have a high coherence function (≥0.9) at 70 db SPL input leve
NOTE: * See Exhibit B. (Amended, see attached)

1c. Special Technical Requirements:

High-frequency emphasis circuit

The low profile hearing aid shall be provided with venting consistent with the contractor's fitting rationale.

There shall be a minimum average gain of 15 dB across the frequency range from 2000 to 4000 Hz at the reduced volume control setting.

1d. Fitting Rationale Requirements:

A formula based upon the National Acoustic Laboratories (NAL) or Prescription of Gain/Output (POGO) formula which allows calculation of insertion gain for the frequencies, 250, 500, 1000, 2000, 3000, and 4000 Hz, at the use and maximum volume control settings. Smooth interpolation is required between these frequencies. Other considerations affecting gain such as binaural use and user experience shall be included.

Formulae to calculate SSPL by frequency and for a broadband signal such as speech.

An explanation of determining factors which guide the selection of the following additional features: slope, compression, venting, and canal length.

An explanation of the operational range of the following potentiometer controls: tone, SSPL, gain, feedback, and compression. The settings of these controls at the extremes of the operational range shall be specified.

1e. Matrix Book Requirements:

An explanation of how the various electroacoustics are displayed (a guide to using the matrix book) shall be included.

A graphic display of all gain, SSPL, and slope combinations shall be included.

A graphic display of all special circuits, (e.g., ultra power, K-AMP) shall be included.

A graphic display of the specific effects of the operational range of potentiometer controls on each gain, SSPL, and slope combination as well as for each special circuit shall be included. Graphic displays of generic effects of potentiometer controls are not acceptable.

For each graphic display, the input stimulus, the coupler type, and the volume control setting shall be clearly noted.

Correction factors and/or simulated in-situ data for conversion of matrix specifications obtained on a 2cc coupler to real-ear data shall be included.

The 2cc Coupler in a Frye test box, according to ANSI S3.22 1992, will be used to evaluate the matrix aid selections.(Amended, see attached)

End of Section C - Description/Specs/Work Statement

SECTION D - PACKAGING AND MARKING

D-FSS-456 Packaging and Packing (APR 1984)

(a) Packaging. Shall be in accordance with accepted commercial practice.

(b) Packing. Shall be packed to ensure carrier acceptance and safe delivery to the destination in containers complying with rules and regulations applicable to the mode of transportation.

Address Label/Markings shall contain the correct and complete address for the designated "Ship-to" Clinic destination.

Ink and Labels Ink used shall be permanent and withstand normal abrasion without smudging or smearing; and shall be uniform and legible, providing definite contrast with package/container color. Labels are acceptable when applied with secure and waterproof adhesive in a manner that precludes separation from the package in shipment.

End of Section D - Packaging and Marking

SECTION E - INSPECTION AND ACCEPTANCE

52.252-2 Clauses Incorporated by Reference (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given full text. Upon request, the Contracting Officer will make their full text available.

52.246-2 Inspection of Supplies - Fixed-Price (JUL 1985)
52.246-16 Responsibility for Supplies (APR 1984)

852.210-72(a) Rejected Goods (NOV 1984)

Rejected goods will be held subject to contractor's order for not more than 15 days, after which the rejected merchandise will be returned to the contractor's address at his/her risk and expense. Expenses incident to the examination and testing of materials or supplies which have been rejected will be charged to the contractor's account.

End of Section E - Inspection and Acceptance

SECTION F - DELIVERIES OR PERFORMANCE

52.252-2 Clauses Incorporated by Reference (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given full text. Upon request, the Contracting Officer will make their full text available.

52.212-9 Variation in Quantity (APR 1984)
52.247-34 F.O.B. Destination (JAN 1991)

F-FSS-285 Waiver of Delivery Schedule (APR 1984)

(a) None of the following shall be regarded as an extension, waiver, or abandonment of the delivery schedule or a waiver of the Government's right to terminate for default: (i) delay by the Government in terminating for default; (ii) acceptance of delinquent deliveries; and (iii) acceptance or approval of samples submitted either after default in delivery or in insufficient time for the Contractor to meet the delivery schedule.

(b) Any assistance rendered to the Contractor on this contract or acceptance by the Government of delinquent goods or services hereunder, will be solely for the purpose of mitigating damages, and is not to be construed as an intention on the part of the Government to condone any delinquency, or as a waiver of any rights the Government may have under subject contract.

Time of Delivery

Delivery is required to be made at destination within 10 days after date of receipt of purchase order.

End of Section F - Deliveries or Performance

SECTION G - CONTRACT ADMINISTRATION DATA

G-FSS-913 Contractor's Billing Responsibilities (APR 1984)

The Contractor is required to perform all billings made pursuant to this contract. However, if the contractor has dealers which participate on the contract, and the billing/payment process by the contractor for sales made by the dealer is a significant administrative burden, the following alternative procedures may be used:

Where dealers are allowed by the contractor to bill Government agencies and accept payment in the contractor's name, the contractor agrees to obtain from all dealers participating in the performance of the contract a written agreement which will require dealers to :

(1) Comply with the same terms and conditions regarding prices as the contractor, for sales made under the contract;

(2) Maintain a system of reporting sales under the contract to the manufacturer which includes:

(a) the date of sales,

(b) the agency to which the sale was made,

(c) the product/model sold,

(d) the quantity of each product/model sold,

(e) the price at which it was sold, including discounts, and

(f) all other significant sales data;

(3) Be subject to audit by the Government, with respect to sales made under the contract; and

(4) Place orders and accept payment in the name of the contractor, in care of the dealer.

An agreement between a contractor and its dealers pursuant to this procedure will not establish privity of contract between dealers and the Government. Price reductions made by a participating dealer on sales to the Government under the contract will result in an overall price reduction being assessed against the contractor as provided for in the Price Reduction Clause.

CERTIFICATION

I certify that all dealers participating in the performance of this contract have agreed that their performance will be in accordance with all terms and conditions regarding prices of the contract including the provision listed above.

N/A
Name ______________________ Date ______________________

G-FSS-914-B Contractor's Remittance (Payment) Address (OCT 1988)

Offeror shall indicate below the payment address to which Government checks should be mailed for payment of proper invoices submitted under any resultant contract. If the remittance (payment) address is the same as the offeror address at Block 15A of Page 1 (Standard Form 33) of this solicitation, the offeror shall insert below, the words: "Remittance address is the same as that shown on Block 15A of SF 33".

If the remittance address differs from an order placement address (other than offeror address) the order placement address must be shown below.

REMITTANCE ADDRESS	OTHER PLACEMENT ADDRESS
"Remittance address is the same as that shown on Block 15A of SF 33"	

All offerors are cautioned that if the remittance (payment) address shown on an invoice differs from that shown above, the address above will govern. Payment to any other address will require an administrative change to the contract.

PLEASE NOTE: All purchase orders placed against the Decentralized Schedule Contract are to be paid by the individual agency placing the order. Each purchase order will cite the appropriate agency payment address and proper invoices should be sent to that address.

Contact for Contract Administration

Offerors are required to designate a person to be contacted for prompt contract administration.

NAME Sue Pehringer

TITLE Governmental Services Coordinator

ADDRESS PO Box 9457

Minneapolis, MN ZIP CODE 55440

AREA CODE 612 TELEPHONE NUMBER 828-9176

TOLL FREE NUMBER 800-328-8602 FAX 612-828-6985

Contractor's Report of Orders Received

(a) Contractors shall furnish quarterly the dollar value (rounded to the nearest whole dollar) of all Government agencies' and Government Contractor's orders received during the preceding 3-month period to include any partial month.

(b) The report is due in the office specified below 15 days following the completion of the reporting period or completion of the contract. A report is required even when no billings or invoices are issued or no orders received during the reporting periods.

Report Periods: Oct - Dec 1994
Jan - Mar 1995
Apr - Jun 1995
Jul - Sep 1995
Oct - Dec 1995
Jan - Mar 1996
Apr - Jun 1996
Jul - Sep 1996

(c) The Government reserves the right to inspect without further notice, such records of the Contractor as pertain to sales under any contract resulting from this solicitation. Willful failure or refusal to furnish the required reports or falsification thereof, shall constitute sufficient cause for terminating the contract for default under FAR 52.249-8, Default (Fixed-Priced Supply and Service).

(d) The report shall be forwarded to the following address:

VA DENVER DISTRIBUTION CENTER
ATTN: CONTRACTING OFFICER (905C)
PO BOX 25166
DENVER, CO 80225-0166

Novation and Change-of-Name Agreements

If during the performance of resultant contract you wish the Government to recognize (1) a successor in interest to the contract or (2) a name change, you must submit as soon as possible a written request to the Contracting Officer so that the necessary paperwork can be processed as required under FAR Subpart 42.12 Novation and Change-of-Name Agreements.

Delivery Information

Delivery schedules specified on purchase orders issued against this contract are the dates material is due-in, not the shipping dates. Purchase orders placed under resulting contracts will be issued by the VA Denver Distribution Center, Denver, Colorado, FOR VA REQUIREMENTS ONLY. VA ship to points will be noted on purchase orders. Refer to Exhibit "D" of this solicitation for complete addresses. Other Government Agencies shall place their purchase orders directly with contractors on contract, and the delivery address shall be shown on the orders placed. Listed below is the address for the VA Denver Distribution Center.

MAIL & PARCEL POST	MOTOR AND U.P.S.
VA DENVER DISTRIBUTION CENTER PO BOX 25166 DENVER, CO 80225-0166	VA DENVER DISTRIBUTION CENTER 730 SIMMS STREET, ROOM 149 LAKEWOOD, CO 80401

Procedure: (VA Orders Only)

(a) VA Audiology Clinics will submit to the Contractor an ear impression and audiological requirements. The Contractor will retain the audiological requirements and ear impression pending receipt of a purchase order from the VA Denver Distribution Center (DDC), Denver, Colorado 80223. Purchase orders will be faxed or mailed to the Contractor. Upon receipt of the purchase order from DDC, the contractor shall fabricate the hearing aid and ship the instrument to the requesting VA Audiology Clinic, enclosing original invoice plus one copy. NOTE: **Contractors are advised that invoicing will be centralized in the future.**

(b) The original invoice shall be certified by the receiving VA Audiology Clinic and promptly forwarded to DDC. Contractor agrees that the DDC is designated as the billing office as defined in 52.232-25(a)(2)(i) and (ii) for purposes of determining date of receipt of custom hearing aids delivered to VA facilities under the terms of this contract. Date stamp annotation by the DDC upon receipt of the certified invoice from the receiving VA Audiology Clinic will initiate the time frames for any 30-day time discount terms and other prompt payment act provisions.

(c) Billing invoice submitted by contractor must contain and clearly present the following information:

(1) Contractor's invoice number,

(2) Complete purchase/delivery order number,

(3) Name and address for bill-to office (DDC),

(4) Name and address for ship-to clinic,

(5) Veteran user name,

(6) Hearing aid make, model, and serial number as appears on hearing aid,

(7) Components included in delivered aid (specified using terms as indicated in contract),

(8) Hearing aids and components prices will be itemized by aid,

(9) Date of shipment of aid(s).

(d) Credit memos for aids returned to contractor require the same information as indicated for the billing invoice, and must also reference the applicable original purchase order number.

(e) Within 30 days from contract award, contractors shall forward the following to each VA Audiology and Speech Pathology Service listed in Exhibit "D":

(1) A set of available technical data and matrices for each Custom In-The-Ear model awarded.

(2) Postage-paid mailing labels, shipping boxes, and order forms for the duration of the contract.

(3) A set of available technical data and matrices including schematics of internal circuitry and illustrated parts breakdown will be furnished to the VA Denver Distribution Center (DDC) Electronics Laboratory.

NOTE: Technical information such as circuit diagrams and schematics required by DDC, will be considered "confidential" by the Government.

End of Section G - Contract Administration Data

SECTION H - SPECIAL CONTRACT REQUIREMENTS

Scope of Contract

This contract is in effect for a period of two years, and provides for the normal supply requirements of all VA Medical facilities and Other Government Agencies for delivery in the 50 States, Washington, D.C. and Puerto Rico. Resultant contracts will be used as a mandatory source by the VA, and as a nonmandatory source for other Government Agencies for the items listed herein. Articles will be ordered from time to time in such quantities as needed to fill agency requirements determined in accordance with currently applicable supply procedures. As it is impossible to predetermine the precise quantities that will be needed during the contract term, each contractor whose offer is accepted will be obligated to deliver all articles and services of the kinds contracted for that may be ordered during the contract term. Prices awarded will remain in effect for the contract period without an increase in prices.

Pre-Market Approval

Any device that has not received full pre-market approval by the Food and Drug Administration shall not be considered for award under this solicitation. Items that have been given Investigational Device exemptions will not be considered for award.

FDA's address for Registration and Listing Materials:

U.S. FOOD AND DRUG ADMINISTRATION
CENTER FOR DEVICES AND RADIOLOGICAL HEALTH, HFZ-342
8757 GEORGIA AVENUE
SILVER SPRINGS, MD 20916
TELEPHONE No. (301) 427-7190

Product Modification, Removal, or Recall

If any product receiving an award on this solicitation requires modification, is removed or recalled by the contractor, or if any required modification, removal or recall is suggested or mandated by a regulatory or official agency, the following steps will immediately be taken by the contractor:

a. Notify Contracting Officer, VA Denver Distribution Center (905C), PO BOX 25166, Denver, CO 80225-0166, in writing, by the most expeditious manner possible. Provide two copies of the notification which shall include, but not be limited to the following:

(1) Complete item description and/or identification, order numbers from customers, and the contract number assigned as a result of an award on this solicitation.

(2) Reasons for modifications, removal or recall.

(3) Necessary instructions for return for credit, replacement or corrective action.

b. Provide the above information to Other Government Agencies and VA Facilities who purchased the product.

c. VA Denver Distribution Center (905C), shall be provided a copy of the notification in b. above, and a list of Other Government Agencies and/or VA facilities notified.

Modifications

If, after award, the Contractor wishes to modify the contract, e.g., to add or delete products, offer price reductions, or otherwise make revisions, the Contractor shall submit two (2) copies of the proposed changes and the reasons therefor to the Contracting Officer for consideration. If the required information, as detailed in (a) through (d) below, is not submitted, the modification request will be returned without action.

(a) Additional items. Additional items may be added only when the items offered fall under the same category on which the Contractor received award. "Discount Schedule and Marketing Data" information as required with original offer; product literature and all applicable published pricelists; and production point and delivery time on the new item(s) shall be furnished. Pricelists shall include effective date. Details of all discounts and pricing plans offered to any customer and sales data substantiating commerciality of the products offered must be submitted. If all discounts, terms and conditions are the same as the initial award, a statement to that effect is required. A certification that no discounts in excess of those disclosed in the modification request have been offered to any customer is also required. Consideration for adding items will be given six (6) months into the contract period, and every six (6) months after that for multi-year contracts.

(b) Deletion. State reason for requesting deletion. The Government reserves the right to reject any subsequent offer of a substantially equal or the same item at a higher price during the same contract period if, in the opinion of the Contracting Officer, the higher price is unreasonable when compared with that of the deleted item.

(c) Price Reduction. State whether in conformity with criteria in (i) or (ii) of subparagraph (b)(3) of the special clause titled "Price Reductions". If type (i) reduction applies, submit copy of date commercial pricelist. If type (ii) reduction applies, submit copies of the applicable pricelists, Contractor bulletins or letters and customer agreements which detail data regarding the effective date, duration, terms and conditions of the price reduction.

(d) Revision of Commercial Pricelist. If, after award and no later than 30 calendar days prior to the start of the schedule contract period, the Contractor changes the established commercial catalog or market pricelist on which the contract was awarded, and furnished the new pricelist to the Contracting Officer, the new pricelist, if deemed valid and reasonable by the Contracting Officer, may be substituted for the original pricelist provided (1) the Contractor certifies in writing that the new commercial pricelist is or will be in effect prior to the start of the contract period, and (2) that the discount(s) offered to the Government, as awarded, remain in the same ration to those available to commercial customers.

(e) Effective Dates. The effective date of any modification is the date specified in the modification.

From Modification dated 2/22/94
Amendment No. 1

Guarantees

Con't page 16
Adding paragraph

Additional Components (within two year guarantee)

The clinic will request a purchase order for the new option. The Denver Distribution Center will open a new purchase order per clinic request and forward to contractor. The contractor should forward original invoice plus one copy to the VA Audiology Clinic for certification. Invoice should be itemized listing component added, charges, and serial number changes if applicable. In the event that the additional modification fails to effect the desired improvement, the VA Audiology Clinic shall be allowed to return the hearing aid within 30 days, for further modification or notify the contractor that the hearing aid cannot be utilized by the veteran.

Warranty

Con't page 16
Change

Warranty (VA orders only) (Within 90 days)

The contractor agrees that upon receipt of the Custom In-The-Ear hearing aid by the VA Audiology Clinic, a 90-day period will commence in which to determine whether the hearing aid received provides the veteran with the desired improvement in hearing. If within the 90-day period, the VA Audiology Clinic determines that the hearing aid is inadequate or that modification are required, the hearing aid will be returned to the contractor for modification or credit. In the event that the additional modification fails to effect the desired improvement, the VA Audiology Clinic shall be allowed to return the hearing aid within 30 days, for further modification or notify the contractor that the hearing aid cannot be utilized by the veteran.

1. Model Change:

Contractor will credit entire purchase order. Clinic will re-order new aid. Denver Distribution Center will open new purchase order and forward to contractor. Contractor will re-invoice and forward original invoice plus one (1) copy to clinic for certification.

2. Modification:

(a) Any change that requires the contractor to change the serial number: The contractor will credit entire purchase order. Clinic will re-order new aid. Denver Distribution Center will open new purchase order and forward to contractor. Contractor will re-invoice and forward original invoice plus one (1) copy to clinic for certification.

Con't Warranty page 2

3. Changes Prior to Invoicing

For any change **PRIOR** to invoicing, contractor will contact clinic for authorization and clinic will notify Denver Distribution for the authorized change. DDC will adjust the original purchase order.

4. Return Aid for Credit

When the hearing aid cannot be utilized by the veteran within the 90 day warranty period, the VA Audiology Clinic will send the aid back to the contractor requesting a credit. The contractor will issue a credit memo to Denver Distribution Center within 30 days after receipt of aid.

Guarantees

The contractor guarantees the hearing aid, components, and accessories against defective material, workmanship, and performance for a period of two (2) years from date of issuance to beneficiary (veteran). The contractor agrees to furnish, without cost to the Government, replacement of all parts and materials which are found to be defective during the guarantee period to include recasing for reasons of defect, damage, or unsatisfactory fit. Replacement of material and parts will be furnished to the Government at the point specified in the service request. Cost of replacement material and parts shall be borne by the contractor. Contractor agrees to replace, without cost to the Government, an instrument for reasons of loss once during the two (2) year guarantee period. In addition, any contractor awarded a contract under this solicitation shall be required to maintain repair services and raw parts for five years.

Warranty (VA Orders Only)

The Contractor agrees that upon receipt of the Custom In-The-Ear hearing aid by the VA Audiology Clinic, a 90-day period will commence in which to determine whether the hearing aid received provides the veteran with the desired improvement in hearing. If within the 90-day period, the VA Audiology Clinic determines that the hearing aid is inadequate or that modifications are required, the hearing aid will be returned to the Contractor for modification or credit, at no additional expense to the VA.

Additional Components:

If additional components are requested by the VA Audiology Clinic, the aid will be returned to the contractor. The VA Audiology Clinic will request a purchase order be issued by the VA Denver Distribution Center (DDC) for the requested component(s). The contractor should forward original invoice plus one copy to the VA Audiology Clinic for certification. Invoice should be itemized listing component added and charges if applicable. In the event that the additional components and/or modifications fail to effect the desired improvement, the VA Audiology Clinic shall be allowed to return the hearing aid within 30 days, for further modification or notify the contractor that the hearing aid cannot be utilized by the veteran.

Returning Aid for Credit

When the aid cannot be utilized by the veteran, the VA Audiology Clinic will send the aid back to contractor requesting a credit. The contractor will issue credit memo to DDC within 30 days after receipt of credit request.

End of Section H - Special Contract Requirements

SECTION I - CONTRACT CLAUSES

52.252-2 Clauses Incorporated by Reference (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

52.202-1	Definitions (SEP 1991)
52.203-1	Officials Not to Benefit (APR 1984)
52.203-3	Gratuities (APR 1984)
52.203-5	Covenant Against Contingent Fees (APR 1984)
52.203-6	Restrictions on Subcontractor Sales to the Government (JUL 1985)
52.203-7	Anti-Kickback Procedures (OCT 1988)
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity (SEP 1990)
52.203-12	Limitation on Payments to Influence Certain Federal Transactions (JAN 1990)
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment (NOV 1992)
52.210-5	New Material (APR 1984)
52.215-1	Examination of Records by Comptroller General (FEB 1993)
52.215-2	Audit - Negotiation (FEB 1993)
52.215-22	Price Reduction for Defective Cost or Pricing Data (JAN 1991)
52.215-24	Subcontractor Cost or Pricing Data (DEC 1991)
52.215-26	Integrity of Unit Prices (APR 1991)
52.215-33	Order of Precedence (JAN 1986)
52.216-18	Ordering (APR 1984)
52.216-21	Requirements (APR 1984)
52.219-8	Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (FEB 1990)
52.219-9	Small Business and Small Disadvantaged Subcontracting Plan (JAN 1991)
52.219-13	Utilization of Women-Owned Small Business (AUG 1986)
52.219-16	Liquidated Damages-Small Business Subcontracting Plan (AUG 1989)
52.220-3	Utilization of Labor Surplus Area Concerns (APR 1984)
52.220-4	Labor Surplus Area Subcontracting Program (APR 1984)
52.222-1	Notice to the Government of Labor Disputes (APR 1984)
52.222-20	Walsh-Healey Public Contracts Act (APR 1984)
52.222-26	Equal Opportunity (APR 1984)
52.222-28	Equal Opportunity Preaward Clearance of Subcontract (APR 1984)
52.222-35	Affirmative Action for Special Disabled and Vietnam Era Veterans (APR 1984)
52.222-36	Affirmative Action for Handicapped Workers (APR 1984)
52.222-37	Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era (JAN 1988)
52.223-2	Clean Air and Water (APR 1984)
52.223-6	Drug-Free Workplace (JUL 1990)
52.224-1	Privacy Act Notification (APR 1984)
52.224-2	Privacy Act (APR 1984)

52.225-9	Buy American Act - Trade Agreements Act - Balance of Payments Program (APR 1991)
52.225-11	Restrictions on Certain Foreign Purchases (MAY 1992)
52.225-17	Buy American Act - Supplies under European Community Agreement (May 1993)
52.227-1	Authorization and Consent (APR 1984)
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement (APR 1984)
52.227-3	Patent Indemnity (APR 1984)
52.227-14	Rights in Data--General (JUL 1987)
52.229-3	Federal, State, and Local Taxes (JAN 1991)
52.229-5	Taxes - Contracts Performed in U.S. Possessions or Puerto Rico (APR 1984)
52.232-1	Payments (APR 1984)
52.232-8	Discounts for Prompt Payment (APR 1989)
52.232-11	Extras (APR 1984)
52.232-17	Interest (JAN 1991)
52.232-23	Assignment of Claims (JAN 1986)
52.232-25	Prompt Payment (SEP 1992)
52.232-28	Electronic Funds Transfer Payment Methods (APR 1989)
52.233-1	Disputes (DEC 1991) - Alternate I (DEC 1991)
52.233-3	Protest After Award (AUG 1989)
52.242-13	Bankruptcy (APR 1991)
52.243-1	Changes - Fixed-Price (AUG 1987)
52.244-1	Subcontracts (Fixed-Price Contracts) (APR 1991)
52.244-5	Competition in Subcontracting (APR 1984)
52.249-1	Termination for Convenience of the Government (Fixed-Price) (APR 1984)
52.249-2	Termination for Convenience of the Government (Fixed-Price) (APR 1984)
52.249-8	Default (Fixed-Price Supply and Service) (APR 1984)

52.203-9 Requirement for Certificate of Procurement Integrity-Modification (NOV 1990)

(a) Definitions. The definitions set forth in FAR 3.104-4 are hereby incorporated in this clause.

(b) The Contractor agrees that it will execute the certification set forth in paragraph (c) of this clause when requested by the Contracting Officer in connection with the execution of any modification of this contract.

(c) Certification. As required in paragraph (b) of this clause, the officer or employee responsible for the modification proposal shall execute the following certification:

CERTIFICATE OF PROCUREMENT INTEGRITY-MODIFICATION (NOV 1990)

(1) I, R. L. Handberg (Name of certifier) am the officer or employee responsible for the preparation of this modification proposal and hereby certify that, to the best of my knowledge and belief, with the exception of any information described in this certification, I have no information concerning a violation or possible violation of subsection 27(a), (b), (d), or (f) of the Office of Federal Procurement Policy Act, as amended* (41 U.S.C. 423), (hereinafter referred to as "the Act"), as implemented in the FAR, occurring during the conduct of this procurement RFP 791-01-94 (contract and modification number).

(2) As required by subsection 27(e)(1)(B) of the Act, I further certify that to the best of my knowledge and belief, each officer, employee, agent, representative, and consultant of Starkey Labs. Inc (Name of Offeror) who has participated personally and substantially in the preparation or submission of this proposal has certified that he or she is familiar with, and will comply with, the requirements of subsection 27(a) of the Act, as implemented in the FAR, and will report immediately to me any information concerning a violation or possible violation of subsections 27(a), (b), (d), or (f) of the Act, as implemented in the FAR, pertaining to this procurement.

(3) Violations or possible violations: (Continue on plain bond paper if necessary and label Certificate of Procurement Integrity-Modification (Continuation Sheet), ENTER NONE IF NONE EXISTS)

NONE

(Signature of the officer or employee responsible for the modification proposal and date)

R. L. Handberg
(Typed name of the officer or employee responsible for the modification proposal)

* Subsections 27 (a), (b), and (d) are effective on December 1, 1990. Subsection 27(f) is effective on June 1, 1991.

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER TITLE 18, UNITED STATES CODE, SECTION 1001.

(End of certification)

(d) In making the certification in paragraph (2) of the certificate, the officer or employee of the competing Contractor responsible for the offer or bid, may rely upon a one-time certification from each individual required to submit a certification to the competing Contractor, supplemented by periodic training. These certifications shall be obtained at the earliest possible date after an individual required to certify begins employment or association with the contractor. If a contractor decides to rely on a certification executed prior to the suspension of section 27 (i.e., prior to December 1, 1989), the Contractor shall ensure that an individual who has so certified is notified that section 27 has been reinstated. These certifications shall be maintained by the Contractor for a period of 6 years from the date a certifying employee's employment with the company ends or, for an agency, representative, or consultant, 6 years from the date such individual ceases to act on behalf of the contractor.

(e) The certification required by paragraph (c) of this clause is a material representation of fact upon which reliance will be placed in executing this modification.

(2) As required by subsection 27(e)(1)(B) of the Act, I further certify that to the best of my knowledge and belief, each officer, employee, agent, representative, and consultant of Starkey Labs. Inc (Name of Offeror) who has participated personally and substantially in the preparation or submission of this proposal has certified that he or she is familiar with, and will comply with, the requirements of subsection 27(a) of the Act, as implemented in the FAR, and will report immediately to me any information concerning a

violation or possible violation of subsections 27(a), (b), (d), or (f) of the Act, as implemented in the FAR, pertaining to this procurement.

(3) Violations or possible violations: (Continue on plain bond paper if necessary and label Certificate of Procurement Integrity-Modification (Continuation Sheet), ENTER NONE IF NONE EXISTS)

____

NONE

____

(Signature of the officer or employee responsible for the modification proposal and date)

R. L. Handberg

(Typed name of the officer or employee responsible for the modification proposal)

* Subsections 27 (a), (b), and (d) are effective on December 1, 1990. Subsection 27(f) is effective on June 1, 1991.

52.220-1 Preference for Labor Surplus Area Concerns (APR 1984)

(a) This acquisition is not a set aside for labor surplus area (LSA) concerns. However, the offeror's status as such a concern may affect (1) entitlement to award in case of tie offers or (2) offer evaluation in accordance with the Buy American Act clause of this solicitation. In order to determine whether the offeror is entitled to a preference under (1) or (2) above, the offeror must identify, below, the LSA in which the costs to be incurred on account of manufacturing or production (by the offeror or the first-tier subcontractors) amount to more than 50 percent of the contract price.

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(b) Failure to identify the locations as specified above will preclude consideration of the offeror as an LSA concern. If the offeror is awarded a contract as an LSA concern and would not have otherwise qualified for award, the offeror shall perform the contract or cause the contract to be performed in accordance with the obligations of an LSA concern.

852.203-71 Display of a VA Hotline Poster (DEC 1992)

(a) Except as provided in paragraph (c) below, the Contractor shall display prominently in common work areas within business segments performing work under VA contract, VA Hotline posters prepared by the VA Office of the Inspector General.

(b) VA Hotline posters may be obtained from the VA Office of Inspector General (53E), PO BOX 34647, Washington, DC 20043-4647.

(c) The Contractor need not comply with paragraph (a) above, if the Contractor has established a mechanism, such as a hotline, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports.

852.216-70 Quantities (APR 1984)

The supplies and/or services listed in the attached schedule will be furnished at such time and in such quantities as they are required.

852.270-4 Commercial Advertising (NOV 1984)

The bidder or offeror agrees that if a contract is awarded to him/her, as a result of this solicitation, he/she will not advertise the award of the contract in his/her commercial advertising in such a manner as to state or imply that the Veterans Administration endorses a product, project or commercial line of endeavor.

852.271-70 Services Provided Eligible Beneficiaries (APR 1984)

The contractor agrees to provide all services specified in this contract for any person determined eligible by the Chief Medical Director, or designee, regardless of the race, color, religion, sex, or national origin of the person for whom such services are ordered. The contractor further warrants that he/she will not resort to subcontracting as a means of circumventing this provision.

552.229-72 Federal Excise Tax – DC Government (FEB 1990)

If the District of Columbia cites an Internal Revenue Tax Exempt Certificate Number on orders placed under this contract, the Contractor shall bill shipments to the District of Columbia at prices exclusive of Federal excise tax and show the amount of such tax on the invoice.

I-FSS-390 Price Reduction (APR 1984)

PRICE REDUCTION:

(a) General: This price reduction clause is intended to ensure that throughout the term of the contract, the Government shall maintain its relative price/discount (and/or term and condition) advantage in relation to the Contractor's commercial customer(s) price/discount upon which this contract award is predicated. The customer or category of customers upon which the contract award is predicated will be identified at the conclusion of negotiations.

(b) Pricing Reductions to Customers Other than the Federal Agencies.

(1) Prior to the award of contract, the Contracting Officer and the offeror shall reach an agreement as to the price relationship between the Government and the offeror's identified customer or category of customers upon which the contract award is predicated. This relationship shall be maintained throughout the contract period. Any change in the contractor's commercial pricing arrangement for the identified customer or category of customers which disturbs this relationship will constitute a price reduction.

(2) The Contractor shall report all price reductions made during the contract period to the Contracting Officer along with an explanation of the conditions under which the reductions were made. Those reductions which do not disturb the Government's price position relative to the Contractor's identified customer or category of customers will not be subject to the provisions of this clause. However, the information will be used in conjunction with the negotiations for the following contract period.

(3) If, after the date of the conclusion of negotiations, the contractor, (i) reduces the prices contained in the commercial catalog, pricelist, schedule, or other documents (or grants any more favorable terms and conditions) offered by the contractor and used by the Government to establish the prices with the contract; or (ii) reduces the prices through special discounts to the identified customer or category of customers upon which the award was predicated so as to disturb the relationship of the Government to that identified customer or category of customers, price reduction shall apply to this contract for the remainder of the contract period, or until further reduced, or, in the case of temporary price reductions, for the duration of any temporary price reduction period.

(4) This clause will not apply to contractor's firm fixed price Definite Quantity contracts with specified delivery in excess of the Maximum Order Limitation specified in the contract.

(5) The Contracting Officer may exempt from the application of this clause any sale at a price below the contract price if caused by an error in quotation or billing, provided adequate documentation is furnished by the contractor immediately following the discovery of the error.

(c) Price Reduction to Federal Agencies. (This paragraph does not apply to Non-Schedule ADP/Communications/Teleprocessing Services contracts entered into with Federal Agencies.)

Except for temporary "Government-Only" price reductions described below, if, after the effective date of this contract, the contractor reduces the price of any contract item to any Federal Agency and the sale falls within the contract maximum order limitation, and equivalent price reduction shall apply to all subsequent sales of the contract item to Federal Agencies for the duration of the contract period or until the price is further reduced. The Contractor may offer to the Contracting Officer a temporary "Government-Only" price reduction which has a duration of 30 calendar days or more, except during the last month of the contract period when any such offer must be for the remainder of the contract period.

(d) Effective Dates and Notifications. (This paragraph does not apply to Non-Schedule ADP/Communications/Teleprocessing Services contract entered into with Federal Agencies.)

(1) Any price reduction pursuant to (b) above, shall be effective for the Government at the same time as the price reduction to the other customer. Any price reduction pursuant to (c) above, shall be effective at the time of initial purchase in the Federal Agency (Government) at the reduced price, except in the case of a temporary "Government-Only" price reduction which shall be effective at the time of acceptance by the Contracting Officer. The Contractor shall invoice a such reduced price and indicate thereon that the price reduction is pursuant to this Price Reduction Clause until such time as this contract is modified.

(2) The Contractor shall notify the Contracting Officer in writing of any price reduction as soon as possible but not later than 10 calendar days after the effective date. Failure to give timely notice shall require that such price reduction (including temporary price reductions) apply to the contract for the duration of the contract period, or until the price is further reduced, and may constitute a basis for termination of the contract as provided in the Default Clause of the contract.

(e) Contractor's Statement of Price Reductions. (This paragraph does not apply to Non-Schedule ADP/Communications/Teleprocessing Services contracts entered into with Federal Agencies.)

The Contractor shall furnish within 10 calendar days after the end of the contract period a statement certifying either (1) that there was no applicable reduction; or (2) that any price reduction was reported to the Contracting Officer. For each reported price reduction, the Contractor shall show the date when the Contracting Officer was so notified.

I-FSS-639 Contract Award Sales Criteria (SEP 1990)

Normally a contract will not be awarded unless anticipated sales are expected to exceed $25,000 for a 1-year period. For example, consideration will be given to awarding contracts when anticipated sales under the proposed contract will be less than $25,000 for a 1-year period to offerors who certify affirmatively to FAR 52.219-3, Women-Owned Small Disadvantaged Business Concern Representation.

It is the general policy of the Government not to contract for a product when the anticipated purchases of the item will be less than $2,000 for a 1-year period. Contractors generally should not offer products which do not meet this criteria except in accordance with the exceptions listed in FAR 38.202(c)(1)-(5).

I-FSS-642 Certification of Data by Dealer (OCT 1988)

(a) Dealers offering direct are hereby advised that any data, including manufacturers' commercial pricelists, sales data and/or cost information, relied on in connection with this offer must be made available for review, if requested, to the Contracting Officer or his/her authorized representative.

(b) Consistent with clause M-FSS-330, records of manufacturer/supplier must be made available, upon request, to the Government in order to verify any data furnished by the manufacturer/supplier and used by the offeror to support his proposal. It is the responsibility of the offeror (dealer in this instance) to assure access to the supplier's records if this data is relied on by the offeror. If a manufacturer/supplier refuses access to his records, the offeror/dealer will be determined to be in noncompliance with the provisions of FAR 15.804, and the offer rejected. Dealers offering direct must submit a letter from the manufacturer acknowledging his/her understanding of the requirements of the above reference clause.

I-FSS-680 Dissemination of Information by Contractor (APR 1984)

The Government will provide the Contractor with a single copy of the resulting Decentralized Schedule. However, it is the responsibility of the Contractor to furnish all sales outlets authorized to participate in the performance of the contract with the terms, conditions, pricing schedule, and other appropriate information.

I-FSS-693 No Open Season (APR 1989)

(a) Contracts awarded pursuant to this solicitation will be in effect for two years. The specific schedule contract period can be found on the solicitation cover page, and in the Section A clauses of the solicitation.

(b) All interested suppliers are hereby advised that the Government will not reopen this solicitation to new offers. Therefore, suppliers must submit their offers in accordance with the provisions of block 9 of the SF 33, Solicitation, Offer and Award, in order to be considered for award for items contained in this schedule solicitation. Failure to respond by the date and time shown in this block will result in the vendor being excluded for consideration for inclusion on the schedule for the duration of the schedule period.

I-FSS-822 Ordering Information (APR 1984)

Offerors are requested to indicate below the address(es) to which orders should be forwarded:

Starkey Labs. Inc	Starkey Labs. Inc
PO Box 9457	6700 Washington Ave S.
Minneapolis, MN 55440	Eden Prairie, MN 55344

Offerors marketing through dealers are requested to indicate below whether those dealers will be participating in the proposed contract

Yes ( ) No (X)

If "yes" is checked, ordering information to be inserted above shall reflect that in addition to offeror's name and address, orders can be addressed to the offeror's name, c/o nearest local dealer. In this event, two copies of a list of participating dealers shall accompany this offer, and shall also be included in Contractor's Federal Supply Schedule pricelist.

I-FSS-600-A Catalogs and/or Pricelists

(a) Submission with Offer.

(1) Two copies of the offeror's current published (dated or otherwise identified) commercial descriptive catalogs and/or pricelists must accompany the offer. Commercial catalogs and/or pricelists shall be those catalogs and/or pricelists which show "established catalog or market prices" as defined in the provision of this solicitation entitled "Basis for Price Negotiation." Special catalogs or pricelists, printed for the purpose of this offer and showing only net prices to the Government or reference to previous submissions, are not acceptable.

(2) In the event an offer covers more than one special item number, the offeror shall identify in the catalogs or pricelists by each item, the special item number under which the catalog or model number is being offered. All other items shall be marked "excluded," lined out, and initialed by the offeror.

(3) Foreign Items. (See "Buy American Certificate", FAR 52.225-1.) The offeror shall list each foreign item offered indicating item and/or catalog number and page number of catalog.

(4) The offeror is required to show in detail on the attached "Discount Schedule and Marketing Data" sheets the discounts being offered the Government and all other classes of customers.

(5) If the terms of sale appearing on the commercial catalogs or pricelists on which an offer is based are in conflict with the terms of this solicitation, the latter shall govern.

(b) Approval by the Contracting Officer. Upon award of contract, the Contracting Officer will return to the Contractor a copy of the contract and one copy of the catalog or pricelist as accepted by the Government. The Contractor will also be furnished a list of addressees who are to receive catalogs or pricelists in accordance with (e), below, and information for a cover sheet or insert to be reproduced and distributed as outlined in (c), below.

(c) Printing of catalogs or pricelists. (For distribution to Other Government Agencies only)

(1) The Contractor shall either (1) print and distribute commercial catalogs and pricelists as accepted by the Government, showing accepted discounts, or (2) upon approval of the Contracting Officer, print and distribute special Government catalogs or pricelists which reflect only net prices, based upon the commercial pricelists less discounts accepted by the Government. In the latter instance, the Contractor must show on the cover page the notation "Prices Shown Herein are Net (discount deducted)." If commercial catalogs are used, all items, terms and conditions, not accepted by the Government MUST be obliterated prior to formal printing and distribution to ordering agencies. This will be accomplished by lining out those items or by a stamp across the fact of the item stating "NOT UNDER CONTRACT" or "EXCLUDED". The obliteration must be done on both the catalog and pricelist.

(2) The format and content of each Decentralized Schedule catalog and/or pricelist shall be as follows:

The following information shall be set forth on the catalog or pricelist cover sheet:

DEPARTMENT OF VETERANS AFFAIRS
DENVER DISTRIBUTION CENTER
Authorized Decentralized Schedule Pricelist (Catalog)

Schedule title: Hearing Aids - Custom In-The-Ear
FSC class(es): 65
Contract number:
Contract period:
Contractor's name, address, and phone number (include toll-free WATS number, if applicable).
Contract administration source (if different from preceding entry).
Business size.
Information for ordering activities. Under this heading there shall be consecutively numbered paragraphs in the sequence set forth below. If this information is placed in another part of the catalog or pricelist because of lack of space or for other reasons, or the sequence is not maintained, a table of contents shall be shown on the cover page or an insert which refers to the exact location of the information.

1. Table of awarded special items with appropriate cross-reference to page number(s)
2. Geographic coverage (delivery area).
3. Point(s) of production (city, county, and State or foreign country).
4. Discount from list prices or statement of net price.
5. Quantity discounts.
6. Prompt payment terms.
7. Foreign items (list items by country of origin).
8. Time of delivery.
9. F.O.B. point(s).
10. Ordering address(es).
11. Payment address(es).

12. Warranty provision.

13. List of service and distribution points (if applicable).

14. List of participating dealers (if applicable).

(3) Amendments to Contractor catalogs or pricelists shall include on the cover page the same information as the basic document plus the title "Supplement No. (sequentially numbered)" and the effective date(s) of such supplements.

(d) Certification by Contractor.

(1) The Contractor shall furnish the Contracting Officer three (3) copies of the published catalogs or pricelists within 15 calendar days prior to the beginning of the contract period or within 30 calendar days after receipt of award or notice of award, whichever is later.

(2) The catalogs or pricelists furnished the Contracting Officer shall be accompanied by a certification signed by the Contractor essentially as follows:

(i) If the Contractor elects to use his commercial catalog or pricelist--

"I HEREBY CERTIFY THAT THE ITEMS, DISCOUNTS, PRICES, TERMS AND CONDITIONS, IN THE CATALOGS OR PRICELISTS FURNISHED TO THE CONTRACTING OFFICER AND DISTRIBUTED TO ORDERING OFFICES ARE IDENTICAL TO THOSE ACCEPTED BY THE GOVERNMENT AND THAT AWARDED, AS WELL AS NON-AWARDED, ITEMS ARE CLEARLY AND PROPERLY IDENTIFIED."

(ii) If the Contractor elects to use a special Government catalog or pricelist--

"I HEREBY CERTIFY THAT THE ITEMS, DISCOUNTS, PRICES, TERMS, AND CONDITIONS, IN THE CATALOGS OR PRICELISTS FURNISHED TO THE CONTRACTING OFFICER AND DISTRIBUTED TO ORDERING OFFICES ARE IDENTICAL TO THOSE ACCEPTED BY THE GOVERNMENT AND THAT ONLY THOSE PRODUCTS ACCEPTED BY THE GOVERNMENT ARE INCLUDED IN THOSE CATALOGS OR PRICELISTS."

(3) Failure to furnish the certification statement, or the willful furnishing of an erroneous certification may constitute sufficient cause for applying the provisions of FAR clause 52.249-8, Default (Fixed-Price Supply and Service).

(e) Distribution to ordering offices.

(1) The Contractor shall distribute printed catalogs or pricelists by following the instructions set forth in either (i) and (ii) below:

(i) Distribute printed catalogs or pricelists to all ordering offices on the list of addresses furnished by the Contracting Officer. Distribution of catalogs or pricelists to ordering offices shall be accomplished within 15 calendar days prior to the beginning of the contract period, or within 30 calendar days after receipt of the notice of award, whichever is later.

(ii) Notify all ordering offices on the mailing list of the contract award and request the ordering offices, by use of self-addressed, postpaid return envelop or postcard, to indicate whether they want a copy of the catalog or pricelist. Mailing of postpaid envelope or card shall be made within 10 calendar days after notification of award and distribution of catalogs/pricelists made within 30 calendar days after receipt of return request for catalogs and/or pricelists.

(2) The Contractor shall notify the Contracting Officer in writing when distribution has been completed. In addition, the Contractor shall supply catalogs or pricelists as they may be requested by individual ordering offices or the Contracting Officer. The use of the mailing list for any other purpose is not authorized.

(3) Contractor shall use the mailing list supplied by VA at the time of contract award. However, the Contractor may also send catalogs/pricelists to agencies not on VA listing when there is reasonable expectation that sales to these agencies will be made.

End-of-Contract Additional Discounts Applicable to Aggregate Sales

(a) The Discount Schedule and Marketing Data Sheets (DSMD), contained in this solicitation requests additional end-of-contract discounts based on the aggregate purchases by the Government. These discounts shall be applied as follows:

(1) FOR A CURRENT CONTRACTOR: The additional discounts will be applied to those sales under this contract which exceed 100 percent of the Contractor's aggregate sales to the Government for the most recent 24 month period under similar Decentralized Schedule Contract(s). This figure is to be referred to hereinafter as the base figure. (DSMD Part A, Section V, Item a, page 30.)

(2) FOR NEW CONTRACTORS: The additional discounts will be applied to those sales under this contract which exceed 100 percent of the offeror's projected aggregate sales for all Items under this contract. This figure is to be referred to hereinafter as the base figure. (DSMD Part A, Section V, Item b, page 30.)

(b) The applicable additional discount percentage shall be applied at the end of the contract period to the Government-wide aggregate sales realized under this contract which are in excess of the base figure. Failure to offer an additional discount in consideration of the aggregate sales may result in the offer being rejected by the Government.

(c) The Contractor shall furnish the Contracting Officer, within 20 calendar days after the end of the contract period, a statement certifying the aggregate dollar value of sales made under this contract. Payment of end-of-contract discounts shall not be made until after receipt of a written notification from the Contracting Officer stating the amount due. Within 30 calendar days after receipt of such notification from the Contracting Officer, the amount due shall be paid by check payable to the "Treasurer of the United States". The check shall include the words "Discount on aggregate sales under Contract No. __________" and be addressed to:

Fiscal Division (905B)
VA Denver Distribution Center
PO BOX 25166
Denver, CO 80225-0166

Any amount not paid within 30 days from the receipt of this notice shall bear interest at the rate established by the Secretary of Treasury pursuant to Public Law 92-41, 85 Stat. 97. Any controversies as to the amount of additional discount due the Government sale be subject to the Disputes Clause.

End of Section I - Contract Clauses

SECTION J - LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

SOLICITATION MAILING LIST APPLICATION (STANDARD FORM 129)

EXHIBIT A	CONTRACTOR'S INSTRUCTION SHEET
EXHIBIT B	HEARING AID MEASUREMENTS
EXHIBIT C	OUTLINE OF PROCEDURE FOR STATISTICAL ANALYSIS OF DATA
EXHIBIT D	VA AUDIOLOGY & SPEECH PATHOLOGY CLINICS
EXHIBIT E	FITTING RATIONAL FORM
EXHIBIT F	MATRIX BOOK FORM

End of Section J - List of Documents, Exhibits, and Other Attachments

SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS

DISCOUNT SCHEDULE & MARKETING DATA

INSTRUCTIONS TO OFFERORS:

Information required by each space must be furnished. If not applicable, indicate "NONE". Information furnished in Part B relating to discounts, allowances and sales information will be treated as "Confidential" by the Government except for final prices and discounts awarded by the Government. Failure to provide current, accurate and complete information under Parts A and B may subject the offeror to liability for refunds pursuant to the Price Reductions or Defective Pricing Clauses.

Part A - GENERAL INFORMATION

I. OFFEROR'S MARKETING CATEGORY (check applicable item)

(a) NONE Manufacturer selling direct - has no dealers.
(b) X Manufacturer selling direct to the Government even though he has dealers.
(c) NONE Manufacturer selling to the Government through dealers.
(d) NONE Dealer selling to the Government. (Dealer must submit manufacturer's pricelist).
(e) NONE Other (specify)________________

II. IDENTIFICATION OF A PRICELIST AS THE BASIS FOR THIS OFFER (check and attach two (2) copies of pricelist)

(a) X Manufacturer's catalog/pricelist Wholesale Price list (indicate type)
(b) _____ Dealer's catalog/pricelist
(c) _____ Retailer's catalog/pricelist
(d) _____ Other (specify)________________

III. DISCOUNTS

The following concessions are offered to the Government for delivery F.O.B. Destination, to VA Medical facilities listed on Exhibit "D" of this proposal, and with guarantee requirements as listed on page ~~15~~ 16 of this solicitation. Provide the following information for each hearing aid submitted.

(a) Discounts offered on this solicitation are as follows:

*See Starkey Price Exhibit "A"

Custom In-The-Ear Hearing Aids: * % discount from standard commercial pricelist dated ________.

Options & Accessories: 30 % discount from standard commercial pricelist dated - 2/7/94.

Plus prompt payment discount, as stated in the first page of this solicitation (additional details may be entered below or attached). If discounts vary, show discounts on pricelist.

DISCOUNTS - Other Government Agencies (ΦGA'S) The following concession are offered to the Government for delivery F.O.B. Destination to other Government Agencies, with a two year guarantee requirement.

(a) Discounts offered on this solicitation are as follows:

*See Starkey Price Exhibit "A"

Custom In-The-Ear Hearing Aids: _*_% discount from standard commercial pricelist dated ____________________.

Options & Accessories: 30 % discount from standard commercial pricelist dated 2/7/94.

Plus prompt payment discount, as stated in the first page of this solicitation (additional details may be entered below or attached). If discounts vary, show discounts on pricelist.

IV GUARANTEE: Two year guarantee applies.

V. END-OF-CONTRACT ADDITIONAL DISCOUNTS:

An additional discount of 0 % is offered to the Government which will be applied to the actual aggregate sales for all Special Item Numbers under this contract which exceed the following base figure:

(a) For current MAS contractors, aggregate sales to the Government for most recent 24 month period under a similar Decentralized Schedule contract(s) are $__________, based on sales during the period ___________ to __________.

(b) For new offerors or current MAS contractors without sales history for the number of months specified in (a) above, projected aggregate sales for the 24 month period of this contract are $_________. Offerors should be prepared to provide the Contracting Officer with Information documenting the basis for their projection.

PART B - DISCOUNT AND SALES INFORMATION

I. QUANTITY DISCOUNTS. List below any quantity discounts included in this offer.

II. Other beneficial terms, discounts, or concessions included in this offer such as prompt renewal discounts, purchase option credits, etc. (List below and provide detailed explanations.)

Solicitation No. RFP 791-01-94 Offeror Name: Starkey Labs, Inc

PART B (Continued)

III. a. List below the best discount and/or concessions resulting in the lowest net price (regardless of quantity and terms and conditions) to other than authorized VA contract users from pricelist for the same or similar products or services offered to the Government under this solicitation. (Show actual percentages and delivery terms.)

b.

	Regular discounts %	Quantity discounts %	Aggregate discounts	Commissions to other than employees (%)	Prompt Payment	FOB Point
1. To dealers/retailers	0	6-23% aids only, not options	0-3 % aids only	0	0	MFG Location
2. To distributors wholesalers	0	6-23% aids only, not options	0-3% aids only	0	0	MFG Location
3. To educational institutions	VA Contract	VA Contract	VA Contract	0	0	MFG Location
4. To state, county, City, and local governments	VA Contract	VA Contract	VA Contract	0	0	MFG Location
5. To original equipment manufacturers (OEM)	0	6-23% aids only not options	6-23% aids only	0	0	MFG Location
6. To other (specify): e.g., nat'l accts. sales agreements, etc.	-0-	6-23% aids only not options	6-23% aids only	-0-	-0-	MFG Location
7. If a dealer indicate discount from mfg's pricelist	N/A	N/A	N/A	N/A	N/A	N/A

III. C. Do you have in effect, for any customer, other discounts and/or concessions including but not limited to the following, regardless of pricelist, which result in lower net prices than those offered the Government in this offer?

Yes_____ No__X__ rebates of any kind, including year-end or end of contract discounts?

Yes_____ No__X__ multiple quantity unit pricing plan?

Yes_____ No__X__ cumulative discounts of any type which cover items being offered?

Yes__X__ No_____ products (models)/services that may be combined for maximum discounts?

Yes_____ No_____ others (specify)

If answer to any of the above is "Yes", provide detail explanation including the value expressed as a percentage of the list price.

CO-OP Marketing with Batteries

IV. (a) Are any of the models/products offered herein sold by the offeror under a different trade name(s)? Yes_____, No__X__. If "Yes", explain and provide applicable pricelists.

(b) Summarize any significant changes in concessions offered herein as compared with those set forth in any current VA contract.

NONE

V. ALLOWANCES. Do you offer any of the following allowances to any customer which are not available to a Government contract user under this contract? (Enter "Yes" or "No" for each. If "Yes", explain.)

(a) __NO__ Trade-in allowances?

(b) __NO__ Return/exchange goods policy?

(c) __NO__ Reduced prices on samples, demonstrator models, reconditioned items or floor models?

(d) __NO__ Do you give any allowances not mentioned above?

VI. SALES INFORMATION.

Estimate the percentage of your sales made to the U.S. Government under Decentralized Schedule Blanket Purchase Arrangements (check one of the following):

None _____. 25% or less __X__. 25% to 49% _____.

50% to 74% _____. 75% or more _____.

List agencies below:

1. Indian Health
2. US Army
3. US Airforce
4. US Navy, etc.

SOLICITATION NO. RFP 791-01-94 SPECIAL ITEM NO. CE OFFEROR NAME Starkey Labs. Inc

VII. A. This section requires (1) that sales information be provided to enable the Contracting Officer to determine that the items meet the test of commerciality in FAR 15.804-3 and ASPM Vol. 1, Chapter 9; and, (2) that pricing data is furnished in sufficient detail to enable the Contracting Officer to perform a price analysis in accordance with FAR 15.804-3(h).

B. The offeror certifies that, except for the individual models/types or catalog numbers cited in Paragraph C below, all other models/types or catalog numbers offered in response to this solicitation meet the tests of commerciality in FAR 15.804-3 and ASPM Volume I, Chapter 9. Of the individual models/types or catalog numbers so certified, sales information shall be provided in the table below for each of the 5 model/types or catalog numbers with the largest dollar sales volume. The sales information provided is for the prior 12 months from 1/1/93 to 12/31/93 for this Special Item Number.

1. Total annual sales to the Government for Custom-In-The Ear Hearing Aids $5,632,192
2. Total annual sales (to all entities) for Custom-In-The-Ear Hearing Aids $77,367,082

1	2		3	4		5	6		7		8
Model/ Type or Catalog Number	Total Annual sales to Federal Gov't		Total annual sales to non-government customers at catalog price (less published discounts)	Total annual sales to non-government customers at other than catalog price		Total annual sales Columns 2, 3 and 4	Provide information below for largest discount granted to any non-government customer		List the largest discount at which the item was sold for comparable sales/quantities shown in Column 2 to any nongovernment customer during the past year		Is the discount in block number 6 greater than your current offer under this solicitation? Yes____No X . If yes, provide complete documentation and rationale of the difference. Merely submitting copies of documents such as terms and conditions of commercial contracts, commercial warranties, etc., will not be adequate to justify the difference.
	$	% of column 5		$	% of Column 3 if more than 25%		Qty.	Discount	Qty.	Discount	
CE	3,165,679		24,526,767	3,345,000		31,037,446		0-26%	7336	20%	

3. Price for basic hearing aid with manufacturer's guarantee period of 1 year $ 179.99 .
4. Price for basic hearing aid with two year guarantee. $ 214.90 .

SOLICITATION NO. RFP 791-01-94 SPECIAL ITEM NO. LPF OFFEROR NAME Starkey Labs. Inc

VII. A. This section requires (1) that sales information be provided to enable the Contracting Officer to determine that the items meet the test of commerciality in FAR 15.804-3 and ASPM Vol. 1, Chapter 9; and, (2) that pricing data is furnished in sufficient detail to enable the Contracting Officer to perform a price analysis in accordance with FAR 15.804-3(h).

B. The offeror certifies that, except for the individual models/types or catalog numbers cited in Paragraph C below, all other models/types or catalog numbers offered in response to this solicitation meet the tests of commerciality in FAR 15.804-3 and ASPM Volume I, Chapter 9. Of the individual models/types or catalog numbers so certified, sales information shall be provided in the table below for each of the 5 model/types or catalog numbers with the largest dollar sales volume. The sales information provided is for the prior 12 months from 1/1/93 to 12/31/93 for this Special Item Number.

1. Total annual sales to the Government for Custom-In-The Ear Hearing Aids $ 5,632,192
2. Total annual sales (to all entities) for Custom-In-The-Ear Hearing Aids $77,367,082

1	2		3	4		5	6		7		8
Model/ Type or Catalog Number	Total Annual sales to Federal Gov't		Total annual sales to non-government customers at catalog price (less published discounts)	Total annual sales to non-government customers at other than catalog price		Total annual sales Columns 2, 3 and 4	Provide information below for largest discount granted to any non-government customer		List the largest discount at which the item was sold for comparable sales/quantities shown in Column 2 to any nongovernment customer during the past year		Is the discount in block number 6 greater than your current offer under this solicitation? Yes___ No X . If yes, provide complete documentation and rationale of the difference. Merely submitting copies of documents such as terms and conditions of commercial contracts, commercial warranties, etc., will not be adequate to justify the difference.
	$	% of column 5		$	% of Column 3 if more than 25%		Qty.	Discount	Qty.	Discount	
LPF	790,000		6,210,000	690,000		7,690,000		0-26%			

3. Price for basic hearing aid with manufacturer's guarantee period of 1 year $ 199.98 .
4. Price for basic hearing aid with two year guarantee. $ 234.97 .

SOLICITATION NO. RFP 791-01-94 SPECIAL ITEM NO. HC OFFEROR NAME Starkey Labs. Inc

VII. A. This section requires (1) that sales information be provided to enable the Contracting Officer to determine that the items meet the test of commerciality in FAR 15.804-3 and ASPM Vol. 1, Chapter 9; and, (2) that pricing data is furnished in sufficient detail to enable the Contracting Officer to perform a price analysis in accordance with FAR 15.804-3(h).

B. The offeror certifies that, except for the individual models/types or catalog numbers cited in Paragraph C below, all other models/types or catalog numbers offered in response to this solicitation meet the tests of commerciality in FAR 15.804-3 and ASPM Volume I, Chapter 9. Of the individual models/types or catalog numbers so certified, sales information shall be provided in the table below for each of the 5 model/types or catalog numbers with the largest dollar sales volume. The sales information provided is for the prior 12 months from 1/1/93 to 12/31/93 for this Special Item Number.

1. Total annual sales to the Government for Custom-In-The Ear Hearing Aids $ 5,632,192
2. Total annual sales (to all entities) for Custom-In-The-Ear Hearing Aids $ 77,367,082

1	2		3	4		5	6		7		8
Model/ Type or Catalog Number	Total Annual sales to Federal Gov't		Total annual sales to non-government customers at catalog price (less published discounts)	Total annual sales to non-government customers at other than catalog price		Total annual sales Columns 2, 3 and 4	Provide information below for largest discount granted to any non-government customer		List the largest discount at which the item was sold for comparable sales/quantities shown in Column 2 to any nongovernment customer during the past year		Is the discount in block number 6 greater than your current offer under this solicitation? Yes____ No X . If yes, provide complete documentation and rationale of the difference. Merely submitting copies of documents such as terms and conditions of commercial contracts, commercial warranties, etc., will not be adequate to justify the difference.
	$	% of column 5		$	% of Column 3 if more than 25%		Qty.	Discount	Qty.	Discount	
HC	803,610		6,462,063	1,052,094		8,317,767		0-26%	1107	20%	

3. Price for basic hearing aid with manufacturer's guarantee period of 1 year $ 259.98 .
4. Price for basic hearing aid with two year guarantee. $ 294.97 .

SOLICITATION NO. RFP 791-01-94 SPECIAL ITEM NO. CAN OFFEROR NAME Starkey Labs. Inc.

VII. A. This section requires (1) that sales information be provided to enable the Contracting Officer to determine that the items meet the test of commerciality in FAR 15.804-3 and ASPM Vol. 1, Chapter 9; and, (2) that pricing data is furnished in sufficient detail to enable the Contracting Officer to perform a price analysis in accordance with FAR 15.804-3(h).

B. The offeror certifies that, except for the individual models/types or catalog numbers cited in Paragraph C below, all other models/types or catalog numbers offered in response to this solicitation meet the tests of commerciality in FAR 15.804-3 and ASPM Volume I, Chapter 9. Of the individual models/types or catalog numbers so certified, sales information shall be provided in the table below for each of the 5 model/types or catalog numbers with the largest dollar sales volume. The sales information provided is for the prior 12 months from 1/1/93 to 12/31/93 for this Special Item Number.

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2. Total annual sales (to all entities) for Custom-In-The-Ear Hearing Aids $77,367,082

1	2		3	4		5	6		7		8
Model/ Type or Catalog Number	Total Annual sales to Federal Gov't		Total annual sales to non-government customers at catalog price (less published discounts)	Total annual sales to non-government customers at other than catalog price		Total annual sales Columns 2, 3 and 4	Provide information below for largest discount granted to any non-government customer		List the largest discount at which the item was sold for comparable sales/quantities shown in Column 2 to any nongovernment customer during the past year		Is the discount in block number 6 greater than your current offer under this solicitation? Yes____ No X . If yes, provide complete documentation and rationale of the difference. Merely submitting copies of documents such as terms and conditions of commercial contracts, commercial warranties, etc., will not be adequate to justify the difference.
	$	% of column 5		$	% of Column 3 if more than 25%		Qty.	Discount	Qty.	Discount	
CAN	822,903		19,850,856	3,098,110		23,771,869		0-26%	4275	20%	

3. Price for basic hearing aid with manufacturer's guarantee period of 1 year $319.99.
4. Price for basic hearing aid with two year guarantee. $ 354.98 .

SOLICITATION NO. RFP 791-01-94 SPECIAL ITEM NO. SE OFFEROR NAME Starkey Labs. Inc

VII. A. This section requires (1) that sales information be provided to enable the Contracting Officer to determine that the items meet the test of commerciality in FAR 15.804-3 and ASPM Vol. 1, Chapter 9; and, (2) that pricing data is furnished in sufficient detail to enable the Contracting Officer to perform a price analysis in accordance with FAR 15.804-3(h).

B. The offeror certifies that, except for the individual models/types or catalog numbers cited in Paragraph C below, all other models/types or catalog numbers offered in response to this solicitation meet the tests of commerciality in FAR 15.804-3 and ASPM Volume 1, Chapter 9. Of the individual models/types or catalog numbers so certified, sales information shall be provided in the table below for each of the 5 model/types or catalog numbers with the largest dollar sales volume. The sales information provided is for the prior 12 months from 1/1/93 to 12/31/93 for this Special Item Number.

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2. Total annual sales (to all entities) for Custom-In-The-Ear Hearing Aids $77,367,,082

1	2		3	4		5	6		7		8
Model/ Type or Catalog Number	Total Annual sales to Federal Gov't		Total annual sales to non-government customers at catalog price (less published discounts)	Total annual sales to non-government customers at other than catalog price		Total annual sales Columns 2, 3 and 4	Provide information below for largest discount granted to any non-government customer		List the largest discount at which the item was sold for comparable sales/quantities shown in Column 2 to any nongovernment customer during the past year		Is the discount in block number 6 greater than your current offer under this solicitation? Yes____ No X . If yes, provide complete documentation and rationale of the difference. Merely submitting copies of documents such a terms and conditions of commercial contracts commercial warranties, etc., will not be adequate to justify the difference.
	$	% of column 5		$	% of Column 3 if more than 25%		Qty.	Discount	Qty.	Discount	
SE	50,000		5,694,000	806,000		6,550,000		0-26%			

3. Price for basic hearing aid with manufacturer's guarantee period of 1 year $ 369.98.
4. Price for basic hearing aid with two year guarantee. $ 404.97.

MANUFACTURING FACILITIES/PLACE OF PERFORMANCE:

1. Offeror must indicate in the spaces below and/or by attachment, if additional space is needed, (a) exact product(s) offeror desires to furnish to the Government, (b) whether the offeror manufactures the product(s) and/or if he/she is a distributor of the product(s) manufactured by another firm; and indicate in the appropriate space (L/S) those manufacturing facilities that are located in a designated substantial labor surplus area.

ITEM NO	L/S	FACILITY LOCATION (NAME, ADDRESS, CITY, COUNTY, STATE AND ZIP CODE	PERSON TO BE CONTACTED (INCLUDING PHONE NUMBER
ALL	( )	Starkey Labs. Inc	Sue Pehringer
	( )	6700 Washington Ave S	612-828-9176
	( )	Eden Prairie, MN 55344	

Notes: A. If the product(s) are to be manufactured at more than one locations, each location should be identified and product(s) manufactured at the facility should be identified. Also list the names and locations of all subcontractors (packers, labelers, etc.,) who participate in the production of product(s) to be furnished to the Government.

B. Products can be identified by "Item Number" as listed on the continuation sheets(s) of the solicitation.

C. Where items of foreign origin are involved, it is essential that the countries in which the items are produced or manufactured be identified.

2. When more than one manufacturing facility is involved for any manufacturing or processing or more than one component is included in the item under procurement, the names, locations and ownership of all facilities must be shown. The names and locations of the manufacturing facilities, (including those of any subcontractor), where manufacture of the item offered herein will be performed are:

A. INGREDIENTS/COMPONENT MATERIAL

Manufactured by: __________
Address: N/A

Owned by: __________
Contact/Phone Number: __________

Note: Component information necessary only when component is a finished device used in a kit.

B. STERILIZATION

Performed by: __________
address: N/A

Owned by: __________
Contact/Phone Number: __________

C. BIOLOGICAL TESTING

(Sterility, Safety, Toxicity, Pyrogen, Plastic containers, etc.).

Performed by: ______________________
Address: N/A

Owned by: ______________________
Contact/Phone Number: ______________________

D. PACKAGING AND PACKING

(1). Name and address where immediate container will be filled and labeled: ______________________

Owned by: N/A
Contact/Phone Number: ______________________

(2). Name and address where material will be packed and prepared for shipment: ______________________

N/A

Owned by: ______________________
Contact/Phone Number: ______________________

Notes: (1) Include city, state, and county in each of the addresses above.

(2) For each facility listed, also provide person to be contacted, including phone number.

3 Irrespective of whether plants are owned or leased by the offeror, the Contracting Officer may require offerors to furnish evidence of ownership of leasing of such plant(s) for performance of contract bid upon, together with a statement signed by all parties certifying that no agreements or understandings exist between the parties other than those specified in the document furnished.

4. Regardless of the quantity offered upon, award will be made only for that quantity which the Contracting Officer determines can be produced in accordance with the contract at the plant(s) specified by the offeror as the place of performance.

5. The performance of any of the work contracted for in any place other than that named in the offer and any resulting contract is prohibited unless the same is specifically approved in advance by the Contracting Officer. Full responsibility for fulfillment of the contract will remain with the contractor.

6. In the event a facility listed above is not owned or leased by the offeror, offeror shall make available to the Contracting Officer, within five days of a request therefor by the Contracting Officer, written evidence of a commitment by the owner or lease of such facility that the described materials, components or ingredients will be supplied by owner/lease and/or any described manufacturing, processing or packing and packaging will be performed by owner/leasee. Evidence of the commitment at the lease shall be in the form of a firm offer which indicates the stipulated time for acceptance thereof.

7. CAUTION:

(i) No change in the place of performance shall be permitted between the opening/closing date of offer and the award except where time permits and then only upon receipt of the Contracting Officer's written approval.

(ii) Offeror agrees to inform the VA Denver Distribution Center (905C), Denver, Colorado 80225-0166, immediately of any relocation of this prime facility or the relocation of any subcontractor's facility, and

(iii) If at any time during the life of the contract, the contractor's facility, or the source from which the contractor obtains any of the item(s) listed under this contract, fails to meet Current Good Manufacturing Practice Regulations (CGMPRs) (Public Law 94-295), the contract may be subject to termination, in whole or in part, without liability to the Government, plus

(iv) Any products manufactured during this period of CGMPRs deficiencies will not be shipped, and that material which has been receive, shall be returned as rejected goods, in accordance with Clause 52.246-2, Section "E".

8. FAILURE TO FURNISH THE INFORMATION WITH THE OFFER BID MAY RESULT IN REJECTION OF OFFER.

REGULATORY REQUIREMENT PROVISIONS:

If the product(s) included in this solicitation is (are) considered medical devices by the U.S. Food and Drug Administration, offerors and/or subcontractors shall be in compliance with the Food Drug and Cosmetic Act, as amended, and regulations promulgated thereunder.

PREMARKET NOTIFICATION APPROVAL: All offerors must be in compliance with Section 510(k) of the Federal Food, Drug and Cosmetic Act for those medical device products intended to be delivered to the Government. As evidence of compliance, each offeror shall insert below the item number, corresponding premarket notification number and date of Food and Drug Administration (FDA) approval or the specific basis for exemption from the notification procedures as delineated in 21 CFR Part 807 Subpart E:

Item Number Number/Approval Date	Premarket Notification or Basis for Exemption
CE 9 3/18/93	K930805
CE L9 3/18/93	K930805
CE H9 3/18/93	K930805
SA C9 3/18/93	K930853
SA S9 3/18/93	K930853

52.252-1 Solicitation Provisions Incorporated by Reference (JUN 1988)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

52.203-11	**Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (APR 1991)**
52.222-21	**Certification of Nonsegregated Facilities (APR 1984)**
52.223-5	**Certification Regarding A Drug-Free Workplace (JUL 1990)**
852.203-70	**Ethics in Government Act (APR 1984)**

52.203-2 Certificate of Independent Price Determination (APR 1985)

(a) The offeror certifies that -

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory -

(1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above
R. L. Handberg, Division Manager ______ (insert full name of person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization);

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the offeror deletes or modifies subparagraph (a)(2) above, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

52.203-4 Contingent Fee Representation and Agreement (APR 1984)

(a) Representation. The offeror represents that, except for full-time bona fide employees working solely for the offeror, the offeror -

(Note: The offeror must check the appropriate boxes. For interpretation of the representation, including the term bona fide employee, see subpart 3.4 of the Federal Acquisition Regulation.)

(1) ____ has, _x_ has not employed or retained any person or company to solicit or obtain this contract; and

(2) ____ has, _X_ has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) Agreement. The offeror agrees to provide information relating to the above Representation as requested by the Contracting Officer and, when subparagraph (a)(1) or (a)(2) is answered affirmatively, to promptly submit to the Contracting Officer -

(1) A completed Standard Form 119, Statement of Contingent or Other Fees, (SF 119); or

(2) A signed statement indicating that the SF 119 was previously submitted to the same contracting office, including the date and applicable solicitation or contract number, and representing that the prior SF 119 applies to this offer or quotation.

52.203-8 Requirement for Certificate of Procurement Integrity (NOV 1990) – Alternate I (SEP 1990)

(a) Definitions. The definitions at FAR 3.104-4 are hereby incorporated in this provision.

(b) Certifications. As required in paragraph (c) of this provision, the officer or employee responsible for this offer shall execute the following certification:

CERTIFICATE OF PROCUREMENT INTEGRITY

(1) I, R. L. Handberg (Name of certifier), am the officer or employee responsible for the preparation of this offer and hereby certify that, to the best of my knowledge and belief, with the exception of any information described in this certificate, I have no information concerning a violation or possible violation of subsection 27(a), (b), (d), or (f) of the Office of Federal Procurement Policy Act, as amended* (41 U.S.C. 423), (hereinafter referred to as "the Act"), as implemented in the FAR, occurring during the conduct of this procurement RFP 791-01-94 (solicitation number).

(2) As required by subsection 27(e)(1)(B) of the Act, I further certify that, to the best of my knowledge and belief, each officer, employee, agent, representative, and consultant of Starkey Labs. Inc (Name of Offeror) who has participated personally and substantially in the preparation or submission of this offer has certified that he or she is familiar with, and will comply with, the requirements of subsection 27(a) of the Act, as implemented in the FAR, and will report immediately to me any information concerning a violation or possible violation of subsections 27 (a), (b), (d), or (f) of the Act, as implemented in the FAR, pertaining to this procurement.

(3) Violations or possible violations: (Continue on plain bond paper if necessary and label Certificate of Procurement Integrity (Continuation Sheet), ENTER NONE IF NONE EXIST)

NONE

(4) I agree that, if awarded a contract under this solicitation, the certifications required by subsection 27(e)(1)(B) of the Act shall be maintained in accordance with paragraph (f) of this provision.

(Signature of the officer or employee responsible for the offer and date)

R. L. Handberg

(Typed name of the officer or employee responsible for the offer)

* Subsections 27 (a), (b), and (d) are effective on December 1, 1990. Subsection 27(f) is effective on June 1, 1991.

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER TITLE 18, UNITED STATES CODE, SECTION 1001.

(End of certification)

(c) For procurements, including contract modifications, in excess of $100,000 made using procedures other than sealed bidding, the signed certifications shall be submitted by the successful Offeror to the Contracting Officer within the time period specified by the Contracting Officer when requesting the certificates except as provided in subparagraphs (c)(1) through (c)(5) of this clause. In no event shall the certificate be submitted subsequent to award of a contract or execution of a contract modification:

(1) For letter contracts, other unpriced contracts, or unpriced contract modifications, whether or not the unpriced contract or modification contains a maximum or not to exceed price, the signed certifications shall be submitted prior to the award of the letter contract, unpriced contract, or unpriced contract modification, and prior to the definitization of the letter contract or the establishment of the price of the unpriced contract or unpriced contract modification. The second certification shall apply only to the period between award of the letter contract and execution of the document definitizing the letter contract, or award of the unpriced contract or unpriced contract modification and execution of the document establishing the definitive price of such unpriced contract or unpriced contract modification.

(2) For basic ordering agreements, prior to the execution of a priced order; prior to the execution of an unpriced order, whether or not the unpriced order contains a maximum or not to exceed price; and, prior to establishing the price of an unpriced order. The second certificate to be submitted for unpriced orders shall apply only to the period between award of the unpriced order and execution of the document establishing the definitive price for such order.

(3) A certificate is not required for indefinite delivery contracts (see Subpart 16.5) unless the total estimated value of all orders eventually to be placed under the contract is expected to exceed $100,000.

(4) For contracts and contract modifications which include options, a certificate is required when the aggregate value of the contract or contract modification and all options (see 3.104-4(e)) exceeds $100,000.

(5) For purposes of contracts entered into under section 8(a) of the SBA, the business entity with whom the SBA contracts, and not the SBA, shall be required to comply with the certification requirements of subsection 27(e). The SBA shall obtain the signed certificate from the business entity and forward the certificate to the Contracting Officer prior to the award of a contract to the SBA.

(6) Failure of an Offeror to submit the signed certificate within the time prescribed by the Contracting Officer shall cause the offer to be rejected.

(d) Pursuant to FAR 3.104-9(d), the Offeror may be requested to execute additional certifications at the request of the Government. Failure of an Offeror to submit the additional certifications shall cause its offer to be rejected.

(e) A certification containing a disclosure of a violation or possible violation will not necessarily result in the withholding of award under this solicitation. However, the Government, after evaluation of the disclosure, may cancel this procurement or take any other appropriate actions in the interests of the Government, such as disqualification of the Offeror.

(f) In making the certification in paragraph (2) of the certificate, the officer or employee of the competing contractor responsible for the offer may rely upon a one-time certification from each individual required to submit a certification to the competing contractor, supplemented by periodic training. These certifications shall be obtained at the earliest possible date after an individual required to certify begins employment or association with the contractor. If a contractor decides to rely on a certification executed prior to the suspension of section 27 (i.e., prior to December 1, 1989), the Contractor shall ensure that an individual who has so certified is notified that section 27 has been reinstated. These certifications shall be maintained by the Contractor for 6 years from the date a certifying employee's employment with the company ends or, for an agent, representative, or consultant, 6 years from the date such individual ceases to act on behalf of the Contractor.

(g) Certifications under paragraphs (b) and (d) of this provision are material representations of fact upon which reliance will be placed in awarding a contract.

52.204-3 Taxpayer Identification (SEP 1992)

(a) Definitions.

"Common parent," as used in this solicitation provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

"Corporate status," as used in this solicitation provision, means a designation as to whether the offeror is a corporate entity, an unincorporated entity (e.g., sole proprietorship or partnership), or a corporation providing medical and health care services.

"Taxpayer Identification Number (TIN)," as used in this solicitation provision, means the number required by the IRS to be used by the offeror in reporting income tax and other returns.

(b) All offerors are required to submit the information required in paragraphs (c) through (e) of this solicitation provision in order to comply with reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the Internal Revenue Service (IRS). If the resulting contract is subject to reporting requirements described in FAR 4.903, the failure or refusal by the offeror to furnish the information may result in a 20 percent reduction of payments otherwise due under the contract.

(c) Taxpayer Identification Number (TIN).

X TIN: 41-0913126.

___ TIN has been applied for.

___ TIN is not required because:

___ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the U.S. and does not have an office or place of business or a fiscal paying agent in the U.S.;

___ Offeror is an agency or instrumentality of a foreign government;

___ Offeror is an agency or instrumentality of a Federal, state or local government;

___ Other. State basis. ________________________

(d) Corporate Status.

X Corporation providing medical and health care services, or engaged in the billing and collecting of payments for such services;

___ Other corporate entity;

___ Not a corporate entity;

___ Sole proprietorship

___ Partnership

___ Hospital or extended care facility described in 26 CFR 501(c)(3) that is exempt from taxation under 26 CFR 501(a).

(e) Common Parent.

X Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this clause.

___ Name and TIN of common parent:

Name ____________________________

TIN ____________________________

52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters (MAY 1989)

(a)(1) The Offeror certifies, to the best of its knowledge and belief, that -

(i) The Offeror and/or any of its Principals -

(A) Are ___ are not _x_ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have ___ have not _X_, within a 3-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and

(C) Are ___ are not _X_ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.

(ii) The Offeror has ___ has not _X_, within a 3-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

This certification concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under section 1001, title 18, United States Code.

(b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

52.215-6 Type of Business Organization (JUL 1987)

The offeror or quoter, by checking the applicable box, represents that -

(a) It operates as X a corporation incorporated under the laws of the State of Minnesota, ___ an individual, ___ a partnership, ___ a nonprofit organization, or ___ a joint venture; or

(b) If the offeror or quoter is a foreign entity, it operates as ___ an individual, ___ a partnership, ___ a nonprofit organization, ___ a joint venture, or ___ a corporation, registered for business in ______________ (country).

52.215-11 Authorized Negotiators (APR 1984)

The offeror or quoter represents that the following persons are authorized to negotiate on its behalf with the Government in connection with this request for proposals or quotations:

R. L. Handberg , Division Manager
612-828-9108

(list names, titles, and telephone numbers of the authorized negotiators).

52.215-20 Place of Performance (APR 1984)

(a) The offeror or quoter, in the performance of any contract resulting from this solicitation, ___ intends, X does not intend (check applicable block) to use one or more plants or facilities located at a different address from the address of the offeror or quoter as indicated in this proposal or quotation.

(b) If the offeror or quoter checks intends in paragraph (a) above, it shall insert in the spaces provided below the required information:

Place of Performance (Street Address, City, County, State, Zip Code)	Name and address of Owner and Operator of the Plant or Facility if Other than Offeror or Quoter

52.219-1 Small Business Concern Representation (JAN 1991)

(a) Representation. The offeror represents and certifies as part of its offer that it ___ is, X is not a small business concern and that ___ all, X not all end items to be furnished will be manufactured or produced by a small business concern in the United States, its territories or possessions, Puerto Rico, or the Trust Territory of the Pacific Islands.

(b) Definition.

"Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards in this solicitation.